

COUNTRY Siam - Malaya

SUBJECT

ORIGIN

Tin Smuggled from Siam to Meleya Furchased

by the Soviets

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INFO.

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PAGES 1

SUPPLEMENT

- With the establishment of the tin allocation authority by the Allies after the Japanese surrander, much of the tin in Siam was hidden and is now being smuggled from Bangkok to Singapore and an unknown place in the Malay States where it is being sold to the Soviets, the principal outlet other than the tin allocation authorities. The Soviets, however, are able to secure only a limited supply of tim in the Malay States and are making much heavier purchases in Hongkong of tin originating in China.
- Factors encouraging tin smuggling from Siam to the Malay States are : 1) the tin smelters in the Malay States are in better physical condition and therefore more efficient than those in Bangkok; 2) the control over smuggling is not as effective in the Malay States as it is in Bangkok; and 3) export regulations in Siam make it more profitable to receive Straits dollars for the sauggled cargo rather than to receive exchange through normal banking channels.
- Siamese businessmen stated that there had been no direct or indirect business done in Siam with Soviet sources or sources that could be identified as cooperating with the USSR. There have been no reports of any active Soviet organizations operating in Siam although it was reported that there are some active Communists who crossed into Siam from Northern French Indo China. This fact, however, was refuted by the Secretary to the Ministry of Communications. He felt any Communists who had come from French Indo China had come mainly for their own protection.
- There are persistent rumors in Siamese business circles that the Soviets are soon sending a sizable trade mission to Siam. Reports are that there will be anywhere from 50 to 150 persons in the mission. These rumors were in no way confirmed by persons in the Government to whom source talked.

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